3510-DS-P

#### **DEPARTMENT OF COMMERCE**

#### **International Trade Administration**

[A-570-148, A-552-008]

Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of

Commerce.

**DATES:** Applicable January 19, 2023.

FOR FURTHER INFORMATION CONTACT: Dusten Hom (the People's Republic of China (China)) or Matthew Palmer (the Socialist Republic of Vietnam (Vietnam), AD/CVD Operations, Offices I and III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5075 or (202) 482-1678, respectively.

#### SUPPLEMENTARY INFORMATION:

#### The Petitions

On December 30, 2022,<sup>1</sup> the U.S. Department of Commerce (Commerce) received antidumping duty (AD) petitions concerning imports of gas powered pressure washers (pressure washers) from China and Vietnam, filed in proper form on behalf of FNA Group, Inc. (the petitioner), a domestic producer of pressure washers.<sup>2</sup> These AD petitions were accompanied by a countervailing duty (CVD) petition concerning imports of pressure washers from China.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> See Memorandum, "Decision Memorandum Concerning the Filing Date of the Petitions," dated December 30, 2022

<sup>&</sup>lt;sup>2</sup> See Petitioner's Letter, "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam," dated December 30, 2022 (Petitions).

On January 4 and 11, 2023, Commerce requested supplemental information pertaining to certain aspects of the Petitions in separate supplemental questionnaires.<sup>4</sup> The petitioner filed timely responses to the supplemental questionnaires on January 9, 10, and 12, 2023.<sup>5</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended (the Act), the petitioner alleges that imports of pressure washers from China and Vietnam are being, or are likely to be, sold in the United States at less than fair value (LTFV) within the meaning of section 731 of the Act, and that imports of such products are materially injuring, or threatening material injury to, the pressure washer industry in the United States. Consistent with section 732(b)(1) of the Act, the Petitions are accompanied by information reasonably available to the petitioner supporting its allegations.

Commerce finds that the petitioner filed the Petitions on behalf of the domestic industry, because the petitioner is an interested party, as defined in section 771(9)(C) of the Act.

Commerce also finds that the petitioner demonstrated sufficient industry support for the initiation of the requested AD investigations.<sup>6</sup>

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<sup>&</sup>lt;sup>4</sup> See Commerce's Letters, "Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam: Supplemental Questions," dated January 4, 2023 (General Issues Supplemental Questionnaire); "Petition for the Imposition of Antidumping Duties on Imports of Gas Powered Pressure Washers from the People's Republic of China: Supplemental Questions," dated January 4, 2023; and "Petition for the Imposition of Antidumping Duties on Imports of Gas Powered Pressure Washers from Vietnam: Supplemental Questions," dated January 4, 2023; see also Memorandum, "Phone Call with Counsel to the Petitioner," dated January 11, 2023 (General Issues Memorandum).

<sup>&</sup>lt;sup>5</sup> See Petitioner's Letters, ""Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam: Supplemental Questionnaire Response - China," dated January 9, 2023; "Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam: Supplemental Questionnaire Response - Vietnam," dated January 9, 2023; "Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam: Supplemental Questionnaire Response – General Issues," dated January 10, 2023 (First General Issues Supplement); and "Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam: 2nd Supplemental Questionnaire Response – General Issues," dated January 12, 2023 (Second General Issues Supplement).

<sup>&</sup>lt;sup>6</sup> See infra, section on "Determination of Industry Support for the Petitions."

### Periods of Investigation

Because the Petitions were filed on December 30, 2022, and China and Vietnam are non-market economy (NME) countries, pursuant to 19 CFR 351.204(b)(1), the period of investigation (POI) for the China and Vietnam AD investigations is April 1, 2022, through September 30, 2022.

# Scope of the Investigations

The products covered by these investigations are pressure washers from China and Vietnam. For a full description of the scope of these investigations, *see* the appendix to this notice.

# Comments on the Scope of the Investigations

On January 4, 2023, Commerce requested information from the petitioner regarding the proposed scope to ensure that the scope language in the Petitions is an accurate reflection of the products for which the domestic industry is seeking relief.<sup>7</sup> On January 10, 2023, the petitioner revised the scope language.<sup>8</sup> The description of merchandise covered by these investigations, as described in the appendix to this notice, reflects these clarifications.

As discussed in the *Preamble* to Commerce's regulations, we are setting aside a period for interested parties to raise issues regarding product coverage (*i.e.*, scope).<sup>9</sup> Commerce will consider all comments received from interested parties and, if necessary, will consult with interested parties prior to the issuance of the preliminary determinations. If scope comments include factual information, <sup>10</sup> all such factual information should be limited to public information. To facilitate preparation of its questionnaires, Commerce requests that all interested parties submit such comments by 5:00 p.m. Eastern Time (ET) on February 8, 2023, which is 20 calendar days from the signature date of this notice. Any rebuttal comments, which may include

<sup>&</sup>lt;sup>7</sup> See General Issues Supplemental Questionnaire.

<sup>&</sup>lt;sup>8</sup> See First General Issues Supplement at 1-5 and Exhibit Supp I-3.

<sup>&</sup>lt;sup>9</sup> See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997) (Preamble).

<sup>&</sup>lt;sup>10</sup> See 19 CFR 351.102(b)(21) (defining "factual information").

factual information, must be filed by 5:00 p.m. ET on February 21, 2023, which is ten calendar days from the initial comment deadline.<sup>11</sup>

Commerce requests that any factual information that parties consider relevant to the scope of the investigations be submitted during this period. However, if a party subsequently finds that additional factual information pertaining to the scope of the investigations may be relevant, the party may contact Commerce and request permission to submit the additional information. All such submissions must be filed on the records of the concurrent AD and CVD investigations.

## Filing Requirements

All submissions to Commerce must be filed electronically via Enforcement and Compliance's Antidumping Duty and Countervailing Duty Centralized Electronic Service System (ACCESS), unless an exception applies.<sup>12</sup> An electronically filed document must be received successfully in its entirety by the time and date it is due.

#### Comments on Product Characteristics

Commerce is providing interested parties an opportunity to comment on the appropriate physical characteristics of pressure washers to be reported in response to Commerce's AD questionnaires. This information will be used to identify the key physical characteristics of the subject merchandise in order to report the relevant factors of production (FOP) accurately, as well as to develop appropriate product comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate list of physical characteristics. In order to consider the

<sup>&</sup>lt;sup>11</sup> The deadline for scope rebuttal comments falls on Saturday, February 18, 2023, and the following Monday is February 20, 2023, which is a Federal holiday. Commerce's practice dictates that where a deadline falls on a weekend or Federal holiday, the appropriate deadline is the next business day (in this instance, Tuesday, February 21, 2023). See Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended, 70 FR 24533 (May 10, 2005) (Notice of Clarification). <sup>12</sup> See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures, 76 FR 39263 (July 6, 2011); see also Enforcement and Compliance; Change of Electronic Filing System Name, 79 FR 69046 (November 20, 2014) (for details of Commerce's electronic filing requirements, effective August 5, 2011. Information on help using ACCESS can be found at <a href="https://access.trade.gov/help.aspx">https://access.trade.gov/help.aspx</a> and a handbook can be found at <a href="https://access.trade.gov/help/Handbook">https://access.trade.gov/help/Handbook</a> on Electronic Filing Procedures.pdf).

suggestions of interested parties in developing and issuing the AD questionnaires, all product characteristics comments must be filed by 5:00 p.m. ET on February 8, 2023, which is 20 calendar days from the signature date of this notice.<sup>13</sup> Any rebuttal comments must be filed by 5:00 p.m. ET on February 21, 2023.<sup>14</sup> All comments and submissions to Commerce must be filed electronically using ACCESS, as explained above, on the record of each of the AD investigations.

## Determination of Industry Support for the Petitions

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, Commerce shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the "industry."

Section 771(4)(A) of the Act defines the "industry" as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs Commerce to look to producers and workers who produce the domestic like product. The U.S. International Trade Commission (ITC), which is responsible for determining whether "the domestic industry" has been injured, must also determine what constitutes a

<sup>&</sup>lt;sup>13</sup> See 19 CFR 351.303(b)(1).

<sup>&</sup>lt;sup>14</sup> The deadline for product characteristics rebuttal comments falls on Saturday, February 18, 2023, and the following Monday is February 20, 2023, which is a Federal holiday. Commerce's practice dictates that where a deadline falls on a weekend or Federal holiday, the appropriate deadline is the next business day (in this instance, Tuesday, February 21, 2023). *See Notice of Clarification*.

domestic like product in order to define the industry. While both Commerce and the ITC must apply the same statutory definition regarding the domestic like product, <sup>15</sup> they do so for different purposes and pursuant to a separate and distinct authority. In addition, Commerce's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law. <sup>16</sup>

Section 771(10) of the Act defines the domestic like product as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title." Thus, the reference point from which the domestic like product analysis begins is "the article subject to an investigation" (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, the petitioner does not offer a definition of the domestic like product distinct from the scope of the investigations.<sup>17</sup> Based on our analysis of the information submitted on the record, we have determined that pressure washers, as defined in the scope, constitute a single domestic like product, and we have analyzed industry support in terms of that domestic like product.<sup>18</sup>

In determining whether the petitioner has standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petitions with reference to the domestic like product as defined in the "Scope of the Investigations," in the appendix to this notice. To establish industry support, the petitioner provided its own production in 2021 and compared this

<sup>16</sup> See USEC, Inc. v. United States, 132 F. Supp. 2d 1, 8 (CIT 2001) (citing Algoma Steel Corp., Ltd. v. United States, 688 F. Supp. 639, 644 (CIT 1988), aff'd 865 F.2d 240 (Fed. Cir. 1989)).

<sup>&</sup>lt;sup>15</sup> See section 771(10) of the Act.

<sup>&</sup>lt;sup>17</sup> See Petitions at Volume I (pages I-7 through I-12, I-19, and Exhibits I-14 and I-16); see also First General Issues Supplement at 9-16 and Exhibits Supp I-8 through Supp I-11.

<sup>&</sup>lt;sup>18</sup> For a discussion of the domestic like product analysis as applied to these cases and information regarding industry support, *see* Checklist, "Gas Powered Pressure Washers from the People's Republic of China," dated concurrently with this notice (China AD Checklist); and Checklist, "Gas Powered Pressure Washers from the Socialist Republic of Vietnam," dated concurrently with this notice (Vietnam AD Checklist) (collectively, Country-Specific AD Initiation Checklists), at Attachment II (Analysis of Industry Support for the Antidumping and Countervailing Duty Petitions Covering Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam).

to the estimated 2021 production of the domestic like product for the entire U.S. pressure washers industry.<sup>19</sup> The petitioner estimated total production for the industry by multiplying the estimated U.S. shipments for the entire domestic industry by the ratio of the petitioner's production to U.S. shipments.<sup>20</sup> We relied on data provided by the petitioner for purposes of measuring industry support.<sup>21</sup>

Our review of the data provided in the Petitions, the First General Issues Supplement, the Second General Issues Supplement, and other information readily available to Commerce indicates that the petitioner has established industry support for the Petitions.<sup>22</sup> First, the Petitions established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, Commerce is not required to take further action in order to evaluate industry support (e.g., polling).<sup>23</sup> Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petitions account for at least 25 percent of the total production of the domestic like product.<sup>24</sup> Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petitions account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petitions.<sup>25</sup> Accordingly, Commerce determines that the Petitions were filed on behalf of the

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<sup>&</sup>lt;sup>19</sup> See Petitions at Volume I (pages I-3 through I-4 and Exhibit I-2); see also First General Issues Supplement at 5-9 and Exhibits Supp I-4 through I-Supp I-7; and Second General Issues Supplement at 1-2 and Exhibit S2 I-1.

<sup>&</sup>lt;sup>20</sup> See Petitions at Volume I (pages I-3 through I-4 and Exhibit I-2); see also First General Issues Supplement at 5-9 and Exhibit Supp I-5; and Second General Issues Supplement at 1-2 and Exhibit S2 I-1.

<sup>&</sup>lt;sup>21</sup> See Petitions at Volume I (pages I-3 through I-4 and Exhibits I-1 and I-2); see also First General Issues Supplement at 5-9 and Exhibit Supp I-5; and Second General Issues Supplement at 1-2 and Exhibit S2 I-1. For further discussion, see Attachment II of the Country-Specific AD Initiation Checklists.

<sup>&</sup>lt;sup>22</sup> See Petitions at Volume I (pages I-3 through I-4 and Exhibits I-1 through I-2); see also First General Issues Supplement at 5-9 and Exhibits Supp I-4 through Supp I-7; and Second General Issues Supplement at 1-2 and Exhibit S2 I-1. For further discussion, see Attachment II of the Country-Specific AD Initiation Checklists.

<sup>&</sup>lt;sup>23</sup> See Attachment II of the Country-Specific AD Initiation Checklists; see also section 732(c)(4)(D) of the Act.

<sup>&</sup>lt;sup>24</sup> See Attachment II of the Country-Specific AD Initiation Checklists.

<sup>25</sup> Id

domestic industry within the meaning of section 732(b)(1) of the Act.<sup>26</sup>

## Allegations and Evidence of Material Injury and Causation

The petitioner alleges that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at LTFV. In addition, the petitioner alleges that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.<sup>27</sup>

The petitioner contends that the industry's injured condition is illustrated by a significant volume of subject imports; declining market share; underselling and price depression and/or suppression; decline in the domestic industry's production, capacity utilization, U.S. shipments, and employment variables; declining operating income; and lost sales and revenues.<sup>28</sup> We assessed the allegations and supporting evidence regarding material injury, threat of material injury, causation, as well as negligibility, and we have determined that these allegations are properly supported by adequate evidence, and meet the statutory requirements for initiation.<sup>29</sup> Allegations of Sales at LTFV

The following is a description of the allegations of sales at LTFV upon which Commerce based its decision to initiate AD investigations of imports of pressure washers from China and Vietnam. The sources of data for the deductions and adjustments relating to U.S. price and normal value (NV) are discussed in greater detail in the Country-Specific AD Initiation Checklists.

#### U.S. Price

For China and Vietnam, the petitioner based export price (EP) on pricing information for

<sup>&</sup>lt;sup>26</sup> *Id*.

<sup>&</sup>lt;sup>27</sup> See Petitions at Volume I (pages I-19 through I-20 and Exhibit I-8); see also Second General Issues Supplement at 2 and Exhibit S2 I-2.

<sup>&</sup>lt;sup>28</sup> See Petitions at Volume I (pages I-14 and I-16 through I-37 and Exhibits I-6 through I-8, I-10 through I-13, and I-15); see also First General Issues Supplement at 16 through 19 and Exhibit Supp I-12; and Second General Issues Supplement at 2 and Exhibit S2 I-2.

<sup>&</sup>lt;sup>29</sup> See Country-Specific AD Initiation Checklists at Attachment III (Analysis of Allegations and Evidence of Material Injury and Causation for the Antidumping and Countervailing Duty Petitions Covering Gas Powered Pressure Washers from the People's Republic of China and the Socialist Republic of Vietnam).

sales of, or offers for sale of, pressure washers produced in and exported from each country. The petitioner made certain adjustments to U.S. price to calculate a net ex-factory U.S. price, where applicable.<sup>30</sup>

## Normal Value

Commerce considers China and Vietnam to be NME countries.<sup>31</sup> In accordance with section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by Commerce. Therefore, we continue to treat China and Vietnam as NME countries for purposes of the initiation of these investigations. Accordingly, NV in China and Vietnam is appropriately based on FOPs valued in surrogate market economy countries, in accordance with section 773(c) of the Act.

The petitioner claims that Turkey is an appropriate surrogate country for China because Turkey is a market economy (ME) country that is at a level of economic development comparable to that of China and is a significant producer of comparable merchandise.<sup>32</sup> The petitioner provided publicly available information from Turkey to value all FOPs.<sup>33</sup> Based on the information provided by the petitioner, we determine that it is appropriate to use Turkey as a surrogate country for initiation purposes.

The petitioner claims that Indonesia is an appropriate surrogate country for Vietnam because Indonesia is a ME country that is at a level of economic development comparable to that of Vietnam and is a significant producer of comparable merchandise.<sup>34</sup> The petitioner provided publicly available information from Indonesia to value all FOPs.<sup>35</sup> Based on the information

<sup>&</sup>lt;sup>30</sup> See Country-Specific AD Initiation Checklists.

<sup>&</sup>lt;sup>31</sup> See Antidumping Duty Investigation of Certain Aluminum Foil from the People's Republic of China: Affirmative Preliminary Determination of Sales at Less-Than-Fair Value and Postponement of Final Determination, 82 FR 50858, 50861 (November 2, 2017), and accompanying China NME Status Decision Memorandum, unchanged in Certain Aluminum Foil from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, 83 FR 9282 (March 5, 2018); see also Certain Frozen Fish Fillets from the Socialist Republic of Vietnam: Final Results, and Final Results of No Shipments of the Antidumping Duty Administrative Review; 2016-2017, 84 FR 18007 (April 29, 2019).

<sup>&</sup>lt;sup>32</sup> See China AD Checklist.

<sup>&</sup>lt;sup>33</sup> *Id*.

<sup>&</sup>lt;sup>34</sup> See Vietnam AD Checklist.

<sup>&</sup>lt;sup>35</sup> *Id*.

provided by the petitioner, we determine that it is appropriate to use Indonesia as a surrogate country for initiation purposes.

Interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value FOPs within 30 days before the scheduled date of the preliminary determinations.

## Factors of Production

Because information regarding the volume of inputs consumed by Chinese and Vietnamese producers/exporters was not reasonably available, the petitioner used its own product-specific consumption rates as a surrogate to value the FOPs of Chinese and Vietnamese manufacturers.<sup>36</sup> Additionally, the petitioner calculated factory overhead; selling, general and administrative expenses; and profit based on the experience of a Turkish and Indonesian producer of comparable merchandise for China and Vietnam, respectively.<sup>37</sup>

## Fair Value Comparisons

Based on the data provided by the petitioner, there is reason to believe that imports of pressure washers from China and Vietnam are being, or are likely to be, sold in the United States at LTFV. Based on comparisons of EP to NV in accordance with sections 772 and 773 of the Act, the estimated dumping margins for pressure washers for each of the countries covered by this initiation are as follows: (1) China – 136.70 and 242.34 percent; and (2) Vietnam – 110.23 and 225.65 percent.<sup>38</sup>

# <u>Initiation of LTFV Investigations</u>

Based upon the examination of the Petitions and supplemental responses, we find that they meet the requirements of section 732 of the Act. Therefore, we are initiating AD investigations to determine whether imports of pressure washers from China and Vietnam are

<sup>38</sup> *Id.* for details of the calculations.

<sup>&</sup>lt;sup>36</sup> See Country-Specific AD Checklists.

<sup>37</sup> Id

being, or are likely to be, sold in the United States at LTFV. In accordance with section 733(b)(1)(A) of the Act and 19 CFR 351.205(b)(1), unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

# Respondent Selection

In the Petitions, the petitioner named 27 companies in China and 14 companies in Vietnam as producers and/or exporters of pressure washers.<sup>39</sup> In accordance with our standard practice for respondent selection in AD investigations involving NME countries, Commerce selects respondents based on quantity and value (Q&V) questionnaires in cases where it has determined that the number of companies is large and it cannot individually examine each company based upon its resources. Therefore, considering the number of producers and/or exporters identified in the Petition, Commerce will solicit Q&V information that can serve as a basis for selecting exporters for individual examination in the event that Commerce decides to limit the number of respondents individually examined pursuant to section 777A(c)(2) of the Act. Because there are 27 Chinese and 14 Vietnamese producers and/or exporters identified in the Petitions, Commerce has determined that it will issue Q&V questionnaires to each potential respondent for which the petitioner has provided a complete address.

In addition, Commerce will post the Q&V questionnaires along with filing instructions on Commerce's website at <a href="https://enforcement.trade.gov/questionnaires/questionnaires-ad.html">https://enforcement.trade.gov/questionnaires/questionnaires-ad.html</a>. Producers/exporters of pressure washers from China and Vietnam that do not receive Q&V questionnaires may still submit a response to the Q&V questionnaire and can obtain a copy of the Q&V questionnaire from Commerce's website. In accordance with the standard practice for respondent selection in AD cases involving NME countries, in the event Commerce decides to limit the number of respondents individually investigated, Commerce intends to base respondent selection on the responses to the Q&V questionnaire that it receives.

<sup>&</sup>lt;sup>39</sup> See Petitions at Volume I (page 13 and Exhibits I-6 and I-7); see also First General Issues Supplement at 1 and Exhibit Supp I-1.

Responses to the Q&V questionnaire must be submitted by the relevant Chinese and Vietnamese producers/exporters no later than 5:00 p.m. ET on February 2, 2023, which is two weeks from the signature date of this notice. All Q&V questionnaire responses must be filed electronically via ACCESS. An electronically filed document must be received successfully, in its entirety, by ACCESS no later than 5:00 p.m. ET on the deadline noted above.

Interested parties must submit applications for disclosure under administrative protective order (APO) in accordance with 19 CFR 351.305(b). Instructions for filing such applications may be found on Commerce's website at <a href="https://enforcement.trade.gov/apo">https://enforcement.trade.gov/apo</a>. Commerce intends to make its decisions regarding respondent selection within 20 days of publication of this notice. <a href="https://enforcement.trade.gov/apo">Separate Rates</a>

In order to obtain separate rate status in an NME investigation, exporters and producers must submit a separate rate application.<sup>40</sup> The specific requirements for submitting a separate rate application in an NME investigation are outlined in detail in the application itself, which is available on Commerce's website at <a href="https://enforcement.trade.gov/nme/nme-sep-rate.html">https://enforcement.trade.gov/nme/nme-sep-rate.html</a>. The separate rate application will be due 30 days after publication of this initiation notice.<sup>41</sup> Exporters and producers who submit a separate rate application and have been selected as mandatory respondents will be eligible for consideration for separate rate status only if they respond to all parts of Commerce's AD questionnaire as mandatory respondents. Commerce requires that companies from China and Vietnam submit a response both to the Q&V questionnaire and to the separate rate application by the respective deadlines in order to receive consideration for separate rate status. Companies not filing a timely Q&V questionnaire response will not receive separate rate consideration.

## Use of Combination Rates

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<sup>&</sup>lt;sup>40</sup> See Enforcement and Compliance's Policy Bulletin 05.1, regarding, "Separate-Rates Practice and Application of Combination Rates in Antidumping Investigation involving NME Countries," (April 5, 2005) (Policy Bulletin 05.1), available at <a href="https://enforcement.trade.gov/policy/bull05-1.pdf">https://enforcement.trade.gov/policy/bull05-1.pdf</a>.

<sup>&</sup>lt;sup>41</sup> Although in past investigations this deadline was 60 days, consistent with 19 CFR 351.301(a), which states that "the Secretary may request any person to submit factual information at any time during a proceeding," this deadline is now 30 days.

Commerce will calculate combination rates for certain respondents that are eligible for a separate rate in an NME investigation. The Separate Rates and Combination Rates Bulletin states:

{w} hile continuing the practice of assigning separate rates only to exporters, all separate rates that {Commerce} will now assign in its NME Investigation will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the {weighted average} of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question *and* produced by a firm that supplied the exporter during the period of investigation.<sup>42</sup>

## Distribution of Copies of the AD Petitions

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public version of the AD Petitions have been provided to the governments of China and Vietnam via ACCESS. To the extent practicable, we will attempt to provide a copy of the public version of the AD Petitions to each exporter named in the AD Petitions, as provided under 19 CFR 351.203(c)(2).

## ITC Notification

Commerce will notify the ITC of its initiation, as required by section 732(d) of the Act.

Preliminary Determinations by the ITC

The ITC will preliminarily determine, within 45 days after the date on which the AD Petitions were filed, whether there is a reasonable indication that imports of pressure washers from China and/or Vietnam are materially injuring, or threatening material injury to, a U.S. industry.<sup>43</sup> A negative ITC determination for any country will result in the investigation being

<sup>&</sup>lt;sup>42</sup> See Policy Bulletin 05.1 at 6 (emphasis added).

<sup>&</sup>lt;sup>43</sup> See section 733(a) of the Act.

terminated with respect to that country.<sup>44</sup> Otherwise, these AD investigations will proceed according to statutory and regulatory time limits.

## Submission of Factual Information

Factual information is defined in 19 CFR 351.102(b)(21) as: (i) evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by Commerce; and (v) evidence other than factual information described in (i)-(iv). Section 351.301(b) of Commerce's regulations requires any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted<sup>45</sup> and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct.<sup>46</sup> Time limits for the submission of factual information are addressed in 19 CFR 351.301, which provides specific time limits based on the type of factual information being submitted. Interested parties should review the regulations prior to submitting factual information in these investigations.

## **Extensions of Time Limits**

Parties may request an extension of time limits before the expiration of a time limit established under 19 CFR 351.301, or as otherwise specified by Commerce. In general, an extension request will be considered untimely if it is filed after the expiration of the time limit established under 19 CFR 351.301.<sup>47</sup> For submissions that are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. ET on the due date. Under certain circumstances, we may elect to specify a different time limit by

<sup>44</sup> Id.

<sup>&</sup>lt;sup>45</sup> See 19 CFR 351.301(b).

<sup>&</sup>lt;sup>46</sup> See 19 CFR 351.301(b)(2).

<sup>&</sup>lt;sup>47</sup> See 19 CFR 351.302.

which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, we will inform parties in a letter or memorandum of the deadline (including a specified time) by which extension requests must be filed to be considered timely. An extension request must be made in a separate, standalone submission; under limited circumstances we will grant untimely filed requests for the extension of time limits. Parties should review Commerce's regulations concerning the extension of time limits and the *Time Limits Final Rule* prior to submitting factual information in these investigations.<sup>48</sup>

# **Certification Requirements**

Any party submitting factual information in an AD or CVD proceeding must certify to the accuracy and completeness of that information.<sup>49</sup> Parties must use the certification formats provided in 19 CFR 351.303(g).<sup>50</sup> Commerce intends to reject factual submissions if the submitting party does not comply with the applicable certification requirements.

## Notification to Interested Parties

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Parties wishing to participate in these investigations should ensure that they meet the requirements of 19 CFR 351.103(d) (*e.g.*, by filing the required letter of appearance). Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>51</sup>

<sup>&</sup>lt;sup>48</sup> See 19 CFR 351.301; see also Extension of Time Limits; Final Rule, 78 FR 57790 (September 20, 2013) (Time Limits Final Rule), available at <a href="https://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm">https://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm</a>.

<sup>&</sup>lt;sup>49</sup> See section 782(b) of the Act.

<sup>&</sup>lt;sup>50</sup> See Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule). Answers to frequently asked questions regarding the Final Rule are available at <a href="https://enforcement.trade.gov/tlei/notices/factual\_info\_final\_rule\_FAQ\_07172013.pdf">https://enforcement.trade.gov/tlei/notices/factual\_info\_final\_rule\_FAQ\_07172013.pdf</a>. <sup>51</sup> See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19: Extension of Effective Period.

See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period 85 FR 41363 (July 10, 2020).

This notice is issued and published pursuant to sections 732(c)(2) and 777(i) of the Act,

and 19 CFR 351.203(c).

Dated: January 19, 2023.

# Lisa W. Wang,

Assistant Secretary for Enforcement and Compliance.

## **Appendix**

## **Scope of the Investigations**

The merchandise covered by these investigations is cold water gas powered pressure washers (also commonly known as power washers), which are machines that clean surfaces using water pressure that are powered by an internal combustion engine, air-cooled with a power take-off shaft, in combination with a positive displacement pump. This combination of components (*i.e.*, the internal combustion engine, the power take-off shaft, and the positive displacement pump) is defined as the "power unit." The scope of these investigations covers cold water gas powered pressure washers, whether finished or unfinished, whether assembled or unassembled, and whether or not containing any additional parts or accessories to assist in the function of the "power unit," including, but not limited to, spray guns, hoses, lances, and nozzles. The scope of these investigations covers cold water gas powered pressure washers, whether or not assembled or packaged with a frame, cart, or trolley, with or without wheels attached.

For purposes of these investigations, an unfinished and/or unassembled cold water gas powered pressure washer consists of, at a minimum, the power unit or components of the power unit, packaged or imported together. Importation of the power unit whether or not accompanied by, or attached to, additional components including, but not limited to a frame, spray guns, hoses, lances, and nozzles constitutes an unfinished cold water gas powered pressure washer for purposes of this scope. The inclusion in a third country of any components other than the power unit does not remove the cold water gas powered pressure washer from the scope. A cold water gas powered pressure washer is within the scope of these investigations regardless of the origin of its engine. Subject merchandise also includes finished and unfinished cold water gas powered pressure washers that are further processed in a third country or in the United States, including, but not limited to, assembly or any other processing that would not otherwise remove the merchandise from the scope of these investigations if performed in the country of manufacture of the in-scope cold water gas powered pressure washers.

The scope excludes hot water gas powered pressure washers, which are pressure washers that include a heating element used to heat the water sprayed from the machine.

Also specifically excluded from the scope of these investigations is merchandise covered by the scope of the antidumping and countervailing duty orders on certain vertical shaft engines between 99cc and Up to 225cc, and parts thereof from the People's Republic of China. See Certain Vertical Shaft Engines Between 99 cc and Up to 225cc, and Parts Thereof from the People's Republic of China: Antidumping and Countervailing Duty Orders, 86 FR 023675 (May 4, 2021).

The cold water gas powered pressure washers subject to these investigations are classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheadings 8424.30.9000 and 8424.90.9040. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.

[FR Doc. 2023-01477 Filed: 1/24/2023 8:45 am; Publication Date: 1/25/2023]